

LOUISVILLE METRO COUNCIL COMMITTEE MINUTES

Special Labor/Economic Development
Wednesday, April 22, 2009
5:30 P.M.
Third Floor, City Hall

Present:	Chair:	CM Butler
	Vice Chair:	CM Peden
	Members:	CM Owen and CM King
Absent:		CM Engel (excused)
Also Present:		CM Heiner, CM Downard, CM Blackwell, CM Green, CM Kramer, CM Henderson, President Tandy and CM B. Ackerson

Chairwoman Butler announced the members and non-members of the committee that were present. A quorum was established.

AGENDA

O-32- 02-09 AN ORDINANCE ENACTING A NEW SECTION OF CHAPTER 37 OF THE LOUISVILLE/JEFFERSON COUNTY METRO GOVERNMENT CODE OF ORDINANCES [LMCO] TO ESTABLISH LABOR STANDARDS FOR PUBLIC PROJECTS FUNDED WITH PUBLIC FUNDS OR PRIVATE ACTIVITY PROJECTS RECEIVING PUBLIC SUPPORT THROUGH TAX INCREMENT FINANCING, GENERAL OBLIGATION BONDS, DIRECT PAYMENTS, PROPERTY TAX ABATEMENTS, (THE USE OF PUBLIC FUNDS, TAX SUBSIDIES, TAX CREDITS, TAX REBATES, PUBLIC/PRIVATE PARTNERSHIPS), ACCESS TO PUBLIC ASSETS OR ASSISTANCE PROVIDED BY PUBLIC AGENCIES [AS AMENDED]

Status: In Committee - Tabled
Committee: Labor & Economic Development
Primary Sponsor:
Jim King
Rick Blackwell
Additional Sponsor:
Dan Johnson
Mary C. Woolridge
Vicki Aubrey Welch

Motion to Untable made by Tom Owen and seconded by Jim King

Without objection the item was untabled.

Bill Warner, JCAO, was present to speak to the item. The following was discussed:

- Article from the Courier Journal on the Arena project
- What has happened since last committee meeting
 - Received input from GLI, African American Business Association, County Attorney's Office, and Associated Building Contractors
- Prevailing Wage
 - Definition
 - How it is calculated
 - State statute
- Enough businesses to fill the need
- Minority and Women owned businesses vs. business that employ a large number of minorities and/or women
- Subcontractors
- Impact on smaller businesses
- Comparison with other cities
- Impact on economic development

Motion to Table made by Tom Owen and seconded by James Peden.

By voice vote the motion failed and discussion continued.

VOTING RESULTS: For: 2; Against: 2; Abstain: 0; Absent: 1

For: Tom Owen, James Peden
Against: Jim King, Marianne Butler
Abstain: (None)
Absent: Robin Engel

The following was discussed:

- Penalties and rewards for meeting goals
 - Quotas and the Courts
 - Memorandum prepared by the County Attorney

Motion to amend by accepting the amendments read into the record at the previous committee meeting with the exception of the last two sentences in sections B.1.a. and B.2.b made by Jim King and seconded by Tom Owen.

By voice vote the amendment passed.

VOTING RESULTS: For: 3; Against: 1; Abstain: 0; Absent: 1

For: Tom Owen, Jim King, Marianne Butler
Against: James Peden
Abstain: (None)
Absent: Robin Engel

The following was discussed:

- Section B.1.e
 - Privileges and Immunities clause
 - Must give reasons why are doing this

Motion to Amend by accepting the County Attorney's suggested additions (see attached) made by Jim King and seconded by Tom Owen.

By voice vote the amendment passed.

VOTING RESULTS: For: 4; Against: 0; Abstain: 0; Absent: 1

For: Tom Owen, Jim King, Marianne Butler, James Peden
Against: (None)
Abstain: (None)
Absent: Robin Engel

President Tandy presented a list of suggested amendments (see attached).

Motion to amend by accepting the President Tandy's suggested amendments with the exception of the first, third and fourth listed suggested amendments as well as the last sentence of the fifth suggested amendment made by James Peden and seconded by Tom Owen.

By voice vote the amendment passed.

VOTING RESULTS: For: 4; Against: 0; Abstain: 0; Absent: 1

For: Tom Owen, Jim King, Marianne Butler, James Peden
Against: (None)
Abstain: (None)
Absent: Robin Engel

The following was discussed:

- List of competitor cities
- Have GLI, Minority and women owned businesses and workers speak before the committee

Motion to Table made by James Peden and seconded by Tom Owen.

By voice vote the item was **Tabled**.

VOTING RESULTS: For: 4; Against: 0; Abstain: 0; Absent: 1

For: Tom Owen, Jim King, Marianne Butler, James Peden

Against: (None)

Abstain: (None)

Absent: Robin Engel

R-56-04-09 A RESOLUTION AUTHORIZING THE RELEASE OF CERTAIN MORTGAGES HELD BY LOUISVILLE METRO ON THE PHOENIX HILL APARTMENTS PROJECT.

Status: In Committee - Tabled

Committee: Labor & Economic Development

Primary Sponsor: David Tandy

Motion to Untable made by Jim King and seconded by Tom Owen

Without objection the item was untabled.

Bruce Traughber, Economic Development Department, and Steve Sogel were present to speak to this item. The following was discussed:

- Reason for late notice to the Council
 - County Attorney had some questions
- Benefit to the this proposal
 - Property in hands of a public institution who is willing to invest in the property
 - Do not have the amount of that investment in writing
- Availability to people with low to moderate income consistent with original goals for the project
- Money coming back to the City as reimbursement to the Community Development Block Grant program will be used toward low to moderate income housing throughout the City
- The City wrote off \$8,000,000 last year and did not inform anyone
 - It came out of Capital
 - Who has the authority to write off a receivable
- Cannot sell the property unless the City consents
- Financial impact on the City
 - No impact because it was written off last year
- Cannot close until this is approved because of 1031 tax issues
- Effect on Liberty Green development if this sale does not happen and Phoenix Hill deteriorates
- At the closing it will be \$1,240,000 not \$1,000,000
 - Have not had a chance to modify the papers
 - Financial impact to the City will be plus \$240,000 to what the financial records say
 - Council had been told earlier in the day it would be zero
- Independent appraisal
 - In the works, but not complete
 - Number close to \$9,400,000
 - Will be complete at time of closing
- The Budget Committee will look into the write off of the \$8,000,000

Motion to Amend by changing \$1,000,000 to \$1,240,000 made by Tom Owen and seconded by James Peden.

By voice vote the amendment passed.

By voice vote the item passed and was sent to **Old Business** as Amended.

Motion to Adjourn made by Tom Owen and seconded by Jim King

***NOTE: Items sent to the Consent Calendar or Old Business will be heard before the full Council at the Metro Council Meeting on April 23, 2009.**

jht